

Multiple Agency Fiscal Note Summary

| | |
|---|---|
| Bill Number: 5160 E 2S SB AMH ENC H1400.E | Title: Landlord-tenant relations |
|---|---|

Estimated Cash Receipts

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|----------------------------|----------|-------------|---------------|----------|-------------|----------|----------|-------------|----------|
| | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total |
| Office of Attorney General | 0 | 0 | 14,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total \$ | 0 | 0 | 14,000 | 0 | 0 | 0 | 0 | 0 | 0 |

Estimated Operating Expenditures

| Agency Name | 2021-23 | | | | 2023-25 | | | | 2025-27 | | | |
|-------------------------------------|--|-------------------|-------------------|-------------------|------------|-------------------|-------------------|-------------------|------------|-------------------|-------------------|-------------------|
| | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total |
| Administrative Office of the Courts | 2.0 | 395,908 | 395,908 | 395,908 | .3 | 49,489 | 49,489 | 49,489 | .0 | 0 | 0 | 0 |
| Administrative Office of the Courts | In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note. | | | | | | | | | | | |
| Office of Civil Legal Aid | 3.0 | 23,318,008 | 23,318,008 | 23,318,008 | 3.0 | 25,290,964 | 25,290,964 | 25,290,964 | 3.0 | 26,831,184 | 26,831,184 | 26,831,184 |
| Office of Attorney General | .0 | 0 | 0 | 14,000 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Department of Commerce | 6.4 | 1,731,290 | 1,731,290 | 1,731,290 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Department of Commerce | In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note. | | | | | | | | | | | |
| Total \$ | 11.4 | 25,445,206 | 25,445,206 | 25,459,206 | 3.3 | 25,340,453 | 25,340,453 | 25,340,453 | 3.0 | 26,831,184 | 26,831,184 | 26,831,184 |

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Expenditures

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|-------------------------------------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Administrative Office of the Courts | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Office of Civil Legal Aid | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Office of Attorney General | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Commerce | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Total \$ | 0.0 | 0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0 |

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Breakout

| | | |
|---------------------------------------|---------------------------------|---|
| Prepared by: Gaius Horton, OFM | Phone: (360) 819-3112 | Date Published: Final 4/19/2021 |
|---------------------------------------|---------------------------------|---|

Judicial Impact Fiscal Note

| | | |
|---|---|---|
| Bill Number: 5160 E 2S SB AMH ENGR H1400.E | Title: Landlord-tenant relations | Agency: 055-Administrative Office of the Courts |
|---|---|---|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

| STATE | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|--------------------------|---------|---------|---------|---------|---------|
| State FTE Staff Years | 2.0 | 2.0 | 2.0 | .3 | |
| Account | | | | | |
| General Fund-State 001-1 | 197,954 | 197,954 | 395,908 | 49,489 | |
| State Subtotal \$ | 197,954 | 197,954 | 395,908 | 49,489 | |
| COUNTY | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
| County FTE Staff Years | | | | | |
| Account | | | | | |
| Local - Counties | | | | | |
| Counties Subtotal \$ | | | | | |
| CITY | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
| City FTE Staff Years | | | | | |
| Account | | | | | |
| Local - Cities | | | | | |
| Cities Subtotal \$ | | | | | |

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note for Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.

| | | |
|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Brandon Popovac | Phone: 360-786-7465 | Date: 04/13/2021 |
| Agency Preparation: Sam Knutson | Phone: 360-704-5528 | Date: 04/13/2021 |
| Agency Approval: Ramsey Radwan | Phone: 360-357-2406 | Date: 04/13/2021 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 04/13/2021 |

169,572.00

Request # 5160 E2SSB-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

| <i>State</i> | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 2.0 | 2.0 | 2.0 | .3 | |
| Salaries and Wages | 137,450 | 137,450 | 274,900 | 34,363 | |
| Employee Benefits | 60,504 | 60,504 | 121,008 | 15,126 | |
| Professional Service Contracts | | | | | |
| Goods and Other Services | | | | | |
| Travel | | | | | |
| Capital Outlays | | | | | |
| Inter Agency/Fund Transfers | | | | | |
| Grants, Benefits & Client Services | | | | | |
| Debt Service | | | | | |
| Interagency Reimbursements | | | | | |
| Intra-Agency Reimbursements | | | | | |
| Total \$ | 197,954 | 197,954 | 395,908 | 49,489 | |

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditure By Object or Purpose (County)

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Expenditure By Object or Purpose (City)

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. D - FTE Detail

| <i>Job Classification</i> | <i>Salary</i> | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|---------------------------|---------------|---------|---------|---------|---------|---------|
| Court Program Specialist | | 1.0 | 1.0 | 1.0 | 0.1 | |
| Senior Financial Analyst | | 1.0 | 1.0 | 1.0 | 0.1 | |
| Total FTEs | | 2.0 | 2.0 | 2.0 | 0.3 | 0.0 |

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

169,572.00

Form FN (Rev 1/00)

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Request # 5160 E2SSB-1

Bill # 5160 E 2S SB AMH ENGR H1400.E

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part II: Narrative Explanation

This bill would:

- Require landlords to offer tenants a repayment plan for unpaid rent accrued during the public health emergency, with monthly payments no more than one-third of the tenant's monthly rent;
- Provide that landlords may file reimbursement claims under the Landlord Mitigation Program for unpaid rent that accrued between March 1, 2020 and the end of the public health emergency, when a tenant has vacated or abandoned the tenancy or when the tenant defaults on a repayment plan;
- Require the Administrative Office of the Courts to contract with dispute resolution centers to establish a two-year, statewide eviction resolution pilot program to facilitate the resolution of nonpayment of rent cases;
- Provide a right to counsel for indigent tenants in unlawful detainer show cause hearings and trials; and
- Authorize landlords access to certain rental assistance programs through the Department of Commerce.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

This bill would provide tenants with additional rights and protections during an eviction process.

A tenant's right to possess a dwelling cannot be conditioned on the payment of rent during the eviction moratorium period. Tenants can terminate the rental agreement early and a landlord cannot seek any penalties for the early termination.

Landlords must offer tenants repayment plans for past due rent before initiating a collections action.

II.B - Cash Receipt Impact

None.

II.C – Expenditures

Fiscal impact is partially indeterminate, but expected to be significant. It is unknown how many cases this bill may create, but it is possible / likely to be in the tens of thousands.

In addition to the substantially increased caseload, it is expected that (on average) cases will take longer and additional hearings will be required for each case. For example, cases that require an appointed attorney will require an appointment hearing where previously none was needed. Additional hearings and proceedings are likely to substantially increase judicial officer time, and would likely require the appointment of additional judicial officers (judge, court commissioners, and staff).

Section 7(1) – Would require the AOC to contract with DRC's within or serving each county to establish a court-based eviction resolution pilot program operated in accordance with Supreme Court Order 25700-B-639 and any standing judicial order of the individual superior court.

Section 7(6) – Would require [permissive: "may"] the AOC to establish and produce any other notice forms and requirements as necessary to implement the eviction resolution pilot program.

Section 7(7) – Would require a superior court, in collaboration with the dispute resolution center that is located within or serving the same county, participating in the eviction resolution pilot program to report annually to the Administrative Office of the Courts beginning January 1, 2022 until January 1, 2023, on the following:

- (a) Number of unlawful detainer actions for nonpayment of rent subject to program requirements;
- (b) Number of referrals made to dispute resolution centers;
- (c) Number of nonpayment of rent cases resolved by the program;
- (d) How many instances the tenant had legal representation either at the conciliation stage or formal mediation stage;
- (e) Number of certifications issued by dispute resolution centers and filed by landlords with the court; and
- (f) Any other information that relates to the efficacy of the pilot program.

Section 7(8) – Would provide that that by July 1, 2022 until July 1, 2023, the AOC must provide a report to the legislature summarizing the report data shared by the superior courts and dispute resolution centers under Section 7(7).

AOC Staff would develop, manage and maintain the grant/contract program within the parameters of the court order and this proposal.

NOTE: It is estimated that \$4.3 million per year would be needed for all dispute resolution centers to participate in the program as described in this bill. Detailed information will be provided upon request.

Table I – AOC Staff Cost Detail

| Cost Category | FY 2022 | FY 2023 | Biennium Total | FY 2024 |
|-------------------------------------|----------------|----------------|-----------------------|----------------|
| Senior Financial Analyst (range 52) | 1.0 | 1.0 | 1.0 | 0.3 |
| Salaries | 65,928 | 65,928 | 131,856 | 16,482 |
| Benefits | 25,688 | 25,688 | 51,376 | 6,422 |
| Total | 91,616 | 91,616 | 183,232 | 22,904 |
| Cost Summary | | | | |
| Court Program Specialist (range 55) | 1.0 | 1.0 | 1.0 | 0.3 |
| Salaries | 71,522 | 71,522 | 143,044 | 17,881 |
| Benefits | 34,816 | 34,816 | 69,632 | 8,704 |
| Total | 106,338 | 106,338 | 212,676 | 26,585 |
| Cost Summary | | | | |
| Cost Category | FY 2022 | FY 2023 | Biennium Total | FY 2024 |
| FTE | 2.0 | 2.0 | 2.0 | 0.5 |
| Salaries | 137,450 | 137,450 | 274,900 | 34,363 |
| Benefits | 60,504 | 60,504 | 121,008 | 15,126 |
| Total | 197,954 | 197,954 | 395,908 | 49,489 |

Part III: Expenditure Detail

III.A – Expenditures by Object or Purpose

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| FTE – Staff Years | 2.0 | 2.0 | 2.0 | 0.5 | |
| A – Salaries & Wages | 137,450 | 137,450 | 274,900 | 34,363 | |
| B – Employee Benefits | 60,504 | 60,504 | 121,008 | 15,126 | |
| C – Prof. Service Contracts | | | | | |
| E – Goods and Services | | | | | |
| G – Travel | | | | | |

| | | | | | |
|---------------------|----------------|----------------|----------------|---------------|--|
| J – Capital Outlays | | | | | |
| N – Grants | | | | | |
| Total: | 197,954 | 197,954 | 395,908 | 49,489 | |

III.B – Detail:

| Job Classification | Salary | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|---------------------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Senior Financial Analyst | | 1.0 | 1.0 | 1.0 | 0.3 | |
| Court Program Specialist | | 1.0 | 1.0 | 1.0 | 0.3 | |
| Total FTE's | | 2.0 | 2.0 | 2.0 | 0.5 | |

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.

Individual State Agency Fiscal Note

| | | |
|---|---|---|
| Bill Number: 5160 E 2S SB AMH ENGR H1400.E | Title: Landlord-tenant relations | Agency: 057-Office of Civil Legal Aid |
|---|---|---|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|------------|------------|------------|------------|------------|
| FTE Staff Years | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Account | | | | | |
| General Fund-State 001-1 | 11,222,277 | 12,095,731 | 23,318,008 | 25,290,964 | 26,831,184 |
| Total \$ | 11,222,277 | 12,095,731 | 23,318,008 | 25,290,964 | 26,831,184 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact . Factors impacting the precision of these estimates , and alternate ranges (if appropriate) , are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

| | | |
|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Brandon Popovac | Phone: 360-786-7465 | Date: 04/13/2021 |
| Agency Preparation: Jim Bamberger | Phone: (360) 704-4135 | Date: 04/13/2021 |
| Agency Approval: Jim Bamberger | Phone: (360) 704-4135 | Date: 04/13/2021 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 04/13/2021 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Like the underlying bill, the House Housing, Human Services and Veterans Committee striker to E2SSB 5160 makes a number of changes to the unlawful detainer and eviction process in Washington State. Sections 8 and 9 of the bill continue to establish a right to counsel for indigent tenants in unlawful detainer cases and directs that, subject to appropriation, the Office of Civil Legal Aid contract with attorneys and agencies to represent tenants for whom an attorney is to be appointed. These provisions remain unchanged from the prior version of the bill. Technical changes were made to the notices in section seven of the bill (eviction resolution program provisions), but none have a fiscal impact. This FN therefore remains unchanged from the note associated with E2SSB 5160. Continuing assumptions below.

Sec. 7 establishes an eviction resolution pilot program modeled on and authorized in accordance with emergency Supreme Court order no 25700-B-639 and relevant standing orders of individual superior courts. Sec. 7 (4) requires landlords to serve mandatory notices relating to the availability of the eviction resolution program to the local housing justice project or other designee of the office of civil legal aid. Section 7 (5) requires that landlords secure a certificate from the Dispute Resolution Center participating in the ERP prior to having an unlawful detainer case heard in court. OCLA projects no costs directly attributable to this provision.

Sec. 8(1) establishes a right to counsel for indigent tenants facing a judicial eviction proceeding. Subject to the availability of amounts appropriated for this program, Sec. 8 (1) directs the court to appoint an attorney for indigent tenants at any show cause hearing or scheduled trial. It assigns responsibility to the office of civil legal aid to pay the costs of legal services provided by attorneys appointed under authority of the section. It prioritizes implementation in those counties in which the most evictions occur, as determined by the office of civil legal aid.

Section 8(2) defines the term “indigent” for the purpose of appointing counsel for indigent tenants. The provision is consistent with the standard used to determine income eligibility for civil legal aid for indigent persons under RCW 2.52.030 and Supreme Court GR 34.

Sec. 9(1) assigns responsibility for establishing a statewide tenant representation contract attorney program to OCLA. Under section 9(2), directs OCLA to submit to the appropriate legislative committees within 90 days a plan to fully implement the tenant representation program within 12 months of the effective date of the section.

Sec. 19 is an emergency clause making the act effective immediately upon approval by the Governor.

Assumptions used for this fiscal note:

1. On the basis of the 2/3/21 to 2/15/21 Census Pulse survey, 64% of all renter households (regardless of household size) in WA have total household income of \$75,000 or less. Of these households, 104,445 were behind in rental payments during the reporting period. These households represent 77% of all renter households behind in rent. This data, coupled with field service experience from programs representing tenant defendants, indicates that at least 75% of tenant defendants in filed Residential Landlord Tenant Act unlawful detainer actions will meet the indigency standard in Sec. 8(2).
2. Due to a combination of indigency standards, the percentage of unfiled case commencements (pocket-filed cases), and percentage of defaults (cases where the tenant does not appear/respond to an Order to Show Cause), OCLA predicts that courts will be required to appoint attorneys in about 60% of all filed unlawful detainer actions.
3. Existing attorney staff (15 FTE statewide) dedicated to eviction defense services (and funded with other sources) will continue at pre-COVID baseline levels.

4. Attorneys fully dedicated to eviction defense practice will handle on average 150 cases per year and maintain an average open caseload of 15 active unlawful detainer cases at any particular time.
5. Contract attorneys will be compensated at \$150/hr. and will average 4 hours per case.
6. The scope of representation by appointed attorneys will include shelter defense and related matters, including but not limited to requests for orders of limited dissemination.
7. The average fully loaded cost of dedicated FTE attorneys employed by non-profit legal aid providers is \$160,000 /yr.
8. OCLA will require 3 FTE staff to administer the program – a Program Manager (attorney), a staff attorney, and a contracts manager.
9. Local courts will adopt standing orders that require landlords in each judicial district to serve tenants with a Notice of Right to an Attorney along with the Summons and Complaint and, if one has been issued, an Order to Show Cause. The Notice of Right to Attorney will include contact information for the agency designated by OCLA to provide representation or assign cases to contracted private attorneys or agencies. This will substantially reduce the number of cases in which courts will be asked to continue the matter pending appointment of attorneys.
10. OCLA will establish and underwrite staff in six regional eligibility assessment /assignment entities (9 FTE staff) that will receive requests for assignment of attorneys from tenants and orders of appointment and assignment of attorneys. Regional eligibility assessment/assignment entities will serve: Spokane/NE WA, Central WA, SE WA, SW WA, Puget Sound region, NW WA.
11. OCLA will contract with a qualified third-party contractor to establish and operate a statewide eviction defense training and support center.
12. There will be a large first wave of post-moratorium evictions requiring short-term extraordinary contract attorney involvement; Depending on timing, attorney capacity, and implementation schedules, OCLA anticipates between 5,000 - to 7,500 tenants will receive appointed attorneys. $5,000 \text{ cases} @ 4\text{hr./case} * 150 = \$3,000,000$ to $7500 @ 4 \text{ hr./cases} * \$150 = \$4,500,000$ in one-time expenses. For this fiscal note, OCLA assumes \$3,750,000 in one-time expenses.
13. After the first wave of post-moratorium evictions, the baseline level of filed evictions will revert to 2016 levels as documented in AOC/JIS system data.
14. The program is fully funded effective 7/1/2021

With these assumptions and using 2016 court filing data provided by the Administrative Office of the Courts, OCLA continues to project FY 2022 expense at \$11.222 M, including a one-time expense of \$3,750,000 to address the first wave of post-moratorium evictions. Once fully implemented, program expenses annualize in FY 2023 at \$11.666M. Costs of operations are projected to increase at 3%/year thereafter. See attached spreadsheet.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency , identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources . Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates . Distinguish between one time and ongoing functions .

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings) . Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates . Distinguish between one time and ongoing functions .

Should Congress pass the American Rescue Plan (H.R. 1319) be enacted as currently written before the effective date of this act, the entirety of program expenses during FY 2022-23 would be eligible for federal funding made available to Washington State in accordance with Sec. 5001 of that legislation.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------|---------------|-------|------------|------------|------------|------------|------------|
| 001-1 | General Fund | State | 11,222,277 | 12,095,731 | 23,318,008 | 25,290,964 | 26,831,184 |
| Total \$ | | | 11,222,277 | 12,095,731 | 23,318,008 | 25,290,964 | 26,831,184 |

III. B - Expenditures by Object Or Purpose

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|--------------------------------------|------------|------------|------------|------------|------------|
| FTE Staff Years | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| A-Salaries and Wages | 240,000 | 247,200 | 487,200 | 516,870 | 548,347 |
| B-Employee Benefits | 77,000 | 79,100 | 156,100 | 165,399 | 175,471 |
| C-Professional Service Contracts | 10,805,277 | 11,666,427 | 22,471,704 | 24,393,333 | 25,878,886 |
| E-Goods and Other Services | 87,500 | 90,504 | 178,004 | 190,362 | 203,480 |
| G-Travel | 12,500 | 12,500 | 25,000 | 25,000 | 25,000 |
| J-Capital Outlays | | | | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | | | | |
| 9- | | | | | |
| Total \$ | 11,222,277 | 12,095,731 | 23,318,008 | 25,290,964 | 26,831,184 |

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part I and Part IIIA*

| Job Classification | Salary | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------------------------|--------|---------|---------|---------|---------|---------|
| Eviction Defense Contract Manager | 55,000 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Eviction Defense Program Attorney | 90,000 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Eviction Defense Program Manager | 95,000 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Total FTEs | | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|---|---|--|
| Bill Number: 5160 E 2S SB AMH ENGR H1400.E | Title: Landlord-tenant relations | Agency: 100-Office of Attorney General |
|---|---|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|---|---------|---------|---------|---------|---------|
| Legal Services Revolving Account-State 405-1 | 14,000 | | 14,000 | | |
| Total \$ | 14,000 | | 14,000 | | |

Estimated Operating Expenditures from:

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|---|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Account | | | | | |
| Legal Services Revolving Account-State 405-1 | 14,000 | 0 | 14,000 | 0 | 0 |
| Total \$ | 14,000 | 0 | 14,000 | 0 | 0 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact . Factors impacting the precision of these estimates , and alternate ranges (if appropriate) , are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

| | | |
|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Brandon Popovac | Phone: 360-786-7465 | Date: 04/13/2021 |
| Agency Preparation: Stacia Hollar | Phone: (360) 664-0865 | Date: 04/16/2021 |
| Agency Approval: Dianna Wilks | Phone: 360-709-6463 | Date: 04/16/2021 |
| OFM Review: Tyler Lentz | Phone: (360) 790-0055 | Date: 04/19/2021 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Unless otherwise noted, all sections are new to chapter RCW 59.18.

Section 1 states the intent to increase tenant protections.

Section 2 provides definitions.

Section 3 addresses prohibitions on landlords.

Section 4 addresses repayment plans.

Section 5 amends regarding landlord mitigation claims stemming from the eviction moratorium.

Section 6 amends RCW 43.31.615 regarding use of the landlord mitigation account.

Section 7 establishes a court-based Eviction Resolution pilot program.

Section 8 required court appointed counsel for indigent tenants.

Section 9 adds a new section to chapter 2.53 regarding funding for Section 8.

Section 10 amends RCW 59.18.057 regarding the 14-day eviction notice contents.

Section 11 amends RCW 59.18.365 regarding eviction summons.

Section 12 adds a new section to chapter 43.185C to direct the Department of Commerce (COM) to facilitate landlord access to specified programs. Until March 31, 2022, COM must provide rental assistance directly to landlords for indigent tenants who meet specified criteria.

Section 13 addresses funding.

Sections 14-17 address other tenant protections.

Section 18 excludes certain facilities from coverage.

Section 19 repeals specified provisions.

Section 20 addresses codification.

Section 21 provides for immediate effect.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department of Commerce. The Attorney General’s Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO’s authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency’s fiscal note. Appropriation authority is necessary in the AGO budget.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings) . Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates . Distinguish between one time and ongoing functions .

Attorney General’s Office (AGO) Agency Assumptions:

1. This bill has an emergency clause and is assumed to be effective immediately.
2. Total workload impact in this request includes standard assumption costs for good & services, travel, and capital outlays for all FTE identified.
3. The AGO Civil Rights Division has reviewed this bill and determined it will not increase or decrease the division’s workload. Costs are not included in this request.
4. The Solicitor General’s Office has reviewed this bill and determined it will not increase or decrease the division’s workload. Costs are not included in this request.

Assumptions for the AGO Agriculture & Health Division’s (AHD) Legal Services for the Department of Commerce (COM):

1. The AGO will bill COM for legal services based on the enactment of this bill.
2. Section 12(2) creates a Landlord Rental Assistance Entitlement Program that will require legal advice and guidance to implement as it is expected to present novel legal and implementation issues.
3. In FY2022, Assistant Attorney General (AAG) legal services will be provided for initial program implementation.
4. AHD assumes no ongoing legal costs beyond the program sunset date of March 31, 2022.
5. Total workload impact in FY 2022: 0.06 AAG at a cost of \$14,000.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------|-------------------------------------|-------|---------|---------|---------|---------|---------|
| 405-1 | Legal Services Revolving Account | State | 14,000 | 0 | 14,000 | 0 | 0 |
| Total \$ | | | 14,000 | 0 | 14,000 | 0 | 0 |

III. B - Expenditures by Object Or Purpose

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.1 | | 0.0 | | |
| A-Salaries and Wages | 9,000 | | 9,000 | | |
| B-Employee Benefits | 3,000 | | 3,000 | | |
| E-Goods and Other Services | 2,000 | | 2,000 | | |
| Total \$ | 14,000 | 0 | 14,000 | 0 | 0 |

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part I and Part IIIA*

| Job Classification | Salary | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------|---------|---------|---------|---------|---------|---------|
| Assistant Attorney General | 108,600 | 0.1 | | 0.0 | | |
| Total FTEs | | 0.1 | | 0.0 | | 0.0 |

III. D - Expenditures By Program (optional)

| Program | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Agriculture & Health Division (AHD) | 14,000 | | 14,000 | | |
| Total \$ | 14,000 | | 14,000 | | |

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|---|---|--|
| Bill Number: 5160 E 2S SB AMH ENGR H1400.E | Title: Landlord-tenant relations | Agency: 103-Department of Commerce |
|---|---|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-------------------------------|-----------|---------|-----------|---------|---------|
| FTE Staff Years | 8.0 | 4.8 | 6.4 | 0.0 | 0.0 |
| Account | | | | | |
| General Fund-State 001-1 | 1,082,290 | 649,000 | 1,731,290 | 0 | 0 |
| Total \$ | 1,082,290 | 649,000 | 1,731,290 | 0 | 0 |

In addition to the estimates above, there are additional indeterminate costs and/or savings . Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact . Factors impacting the precision of these estimates , and alternate ranges (if appropriate) , are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia , complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

| | | |
|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Brandon Popovac | Phone: 360-786-7465 | Date: 04/13/2021 |
| Agency Preparation: Tedd Kelleher | Phone: 360-725-2930 | Date: 04/16/2021 |
| Agency Approval: Joyce Miller | Phone: 360-725-2710 | Date: 04/16/2021 |
| OFM Review: Gwen Stamey | Phone: (360) 902-9810 | Date: 04/16/2021 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Differences between striker version of the engrossed second substitute bill and the engrossed second substitute bill that have fiscal impact:

Section 12 creates an entitlement to rent assistance to landlords for tenants below 200% of poverty in places where the programs in Sections 7 or 8 are not available.

Section 13 creates a new \$7.5 million rent assistance program targeted to landlords with a small number of units and tenants not receiving assistance from other sources.

Summary of the engrossed second substitute bill:

The proposed legislation increases protections, provide legal representation in eviction cases, and provides access to landlords to state rent assistance programs.

Sections 3 and 4 adds a new section to RCW 59.18 increasing tenant protections during the COVID-19 virus public health emergency.

Section 5 amends RCW 43.31.605 to allow landlords to be eligible for reimbursement of unpaid rent accrued between March 1, 2020 and the end of the public health emergency from the landlord mitigation program account for both tenants who have ended a tenancy and for those who have defaulted on a repayment plan.

Section 6 amends RCW 43.31.615 to allow landlords to be reimbursed for eligible claims under the landlord mitigation program.

Section 7 creates a new court-based eviction resolution pilot program statewide.

Sections 8 through Section 11 provide tenants a right to counsel in eviction cases.

Section 12 adds a new section to RCW 43.185C requiring the department to provide landlords access to certain rental assistance programs administered by the department, and creates an entitlement for rent assistance paid to landlords in places where the programs in sections 7 or 8 are not available.

Section 13 creates a new \$7.5 million program similar to an existing Commerce program targeted to landlords with a small number of units and tenants not receiving assistance from other sources. The proposal would pay 80% of unpaid rent to landlords with less than ten units.

Sections 14 through 20 are renumbered from the previous version, and increase tenant protections and clarify applicability of the proposed law.

Section 21 is renumbered from the previous version and enacts the law immediately.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates . Distinguish between one time and ongoing functions .

Sections 5 and 6 allows landlords to receive up to \$15,000 from the department for unpaid rent accrued before the end of the public health emergency for tenants who end their tenancy, and for unpaid rent connected to a tenant who defaulted on a repayment plan for rents during the public health emergency.

0.35 FTE Commerce Specialist 3 (731 hours) in FY21, 2.1 FTE Commerce Specialist 3 (4,385 hours) in FY22, and 0.25 FTE Commerce Specialist 3 (522 hours) in FY23 to provide and build capacity around solicitation, origination, management, monitor project contracts, process claims, and to compile and publish an accounting of program activities and outcomes.

Salaries and Benefits:

FY21: \$36,615

FY22: \$219,690

FY23: \$26,153

Goods and Other Services:

FY21: \$4,383

FY22: \$26,298

FY23: \$3,132

Equipment and Capital Outlays:

FY21: \$1,316

FY22: \$1,316

Equipment includes two laptops.

Intra-agency Reimbursements:

FY21: \$12,449

FY22: \$74,695

FY23: \$8,892

Grants, Benefits, Clients Services:

The impact of claims is indeterminate. The indeterminate variables driving the number of potential claims makes it difficult to accurately estimate the number of claims. The funding amount is not specified, and without a specific appropriation the department is unable to estimate the fiscal impact of the number of claims or the monetary value of each claim.

For Illustrative Purposes Only:

If the department assumes 500 claims per month May – June 2021 for a total of 1,000 claims averaging \$10,000 each (\$10,000,000) in FY21. Assuming claims will decline to 50 claims per month by December 2021 for a total of 1,850 claims (\$18,500,000) in FY22 and claims remain at 50 claims per month for a total of 600 claims (6,000,000) in FY23. Claims after June 2023 would be negligible and have minimal fiscal impact.

FY21: \$10,000,000

FY22: \$18,500,000

FY23: \$6,000,000

Section 12(1)

Requires the department to provide landlords access to certain rental assistance programs administered by the department. Modifying existing programs that provide rent assistance to tenants with leases and provides a process for

landlords to access each of those programs to initiate the request for assistance.

1.0 FTE Commerce Specialist 3 (2,088 hours) FY22 - FY23 to convene a temporary advisory group of representatives of landlords, local housing administrators, tenant advocates, and people with lived experience of homelessness to guide implementation of this requirement. The advisory group would meet via remote conferences at least monthly from August 2021 through July 2022 to make recommendations regarding program changes and monitor implementation.

The position, in cooperation with programs within the department, would draft necessary contract changes, and develop model landlord application processes for the variety of programs that offer rent assistance to preserve tenancies as an allowable cost. The position would ensure new eviction prevention rent assistance programs started after March 2021, include the new requirements and related processes for landlords to apply for assistance, and work to modify existing programs within the department that provide rent assistance to preserve existing tenancies to include a pathway for landlords to apply for assistance no later than July 2022.

The position would provide direct and ongoing technical assistance to implement the new grant requirements with at least 35 department grantees (primarily county governments), and more than 200 sub grantees (primarily local nonprofit organizations) who process and pay rent assistance payments. Assistance would include group trainings on contract requirements and implementation of best practices, one-on-one assistance integrating the new landlord access requirements into existing unique local program process flows, and organizational structures.

Existing programs that provide rent assistance to preserve existing tenancies that would require modification are the Consolidated Homeless Grant, the federal Emergency Solutions Grant, and federal COVID-19 relief funds.

Salaries and Benefits:

FY22-FY23: \$104,614 per fiscal year

Goods and Other Services:

FY22-FY23: \$12,523 per fiscal year

Equipment and Capital Outlays:

FY22: \$4,000

Equipment includes one standard workstation.

Intra-agency Reimbursements:

FY22-FY23: \$35,569 per fiscal year

Section 12(2) may create an entitlement to rent assistance to landlords for tenants below 200% of poverty in places where the programs in Sections 7 or 8 are not available.

Because Commerce is required to make payments to landlords for eligible unpaid rents, this estimate assumes the higher end of likely scenarios to protect against liabilities from this proposal drawing funding from existing Commerce programs that are not entitlements. Fulfilling this required obligation under Section 12 (2) could cost \$2.4 billion (\$1.5 billion more than is currently appropriated by the state or awarded by the federal government) assuming :

1) Eviction resolution pilot program and legal representation are not available to every tenant who qualifies until January 2022;

2) 90% of households with unpaid rent according to the Census Bureau PULSE Survey would be eligible and would apply, and the need remains unchanged from the March 2021 level (105,000 households) through December 2021 and unpaid obligations average 13.5 months at \$1,000 per month, plus administrative costs ;

3) The federal American Rescue Plan funds are appropriated to the Department of Commerce and are prioritized to fund

this obligation;

4) The federal American Rescue Plan rent assistance funds appropriated directly to counties are primarily prioritized by counties to lower income households that would otherwise qualify for assistance funded by the department.

The department would award the funds to counties to carry out this obligation due to the lack of capacity at the department to scale-up rent assistance eligibility and payment processing capacity by June 2021 for the estimated 105,000 indigent households that could qualify. The department would need an additional three Commerce Specialist 3 positions.

0.50 FTE Commerce Specialist 3 (1,044 hours) in FY21, May through June 21, 3.0 FTE Commerce Specialist 3 (6,264 hours) in FY22 - FY23 to develop contract language to implement the new entitlement, execute and manage contracts, monitor compliance, develop and implement corrective action for non-compliance, assist grantees with scaling up systems and staffing to promptly spend funds, pay invoices, collect and quality check data, develop outcome reports, and close out contracts. Counties awarded funds would also likely not be able to scale up capacity to promptly pay all claims, resulting in some claims made in December 2021 being paid out in June 2022. Due to the scale of this obligation, state and county funds would likely be exhausted by December 2021, leaving no rent assistance available from January 2022 forward.

Estimating need is difficult because of the uncertainty about current need estimates and the future trajectory of the pandemic and economy. Relatively small changes in assumptions change the potential required funding.

Salaries and Benefits:

FY21: \$52,307

FY22-FY23: \$313,842 per fiscal year

Goods and Other Services:

FY21: \$6,262

FY22-FY23: \$37,569 per fiscal year

Equipment and Capital Outlays:

FY21: \$12,000

Equipment includes three standard workstations.

Intra-agency Reimbursements:

FY21: \$17,784

FY22-FY23: \$106,706 per fiscal year

Section 13 creates a new \$7.5 million rent assistance program targeted to landlords with a small number of units and tenants not receiving assistance from other sources. This is similar to an existing program managed by Commerce since March 2021, but is larger and longer lasting. Continuing this type of program over the longer term and with a higher volume of claims due to expanded eligibility would require an additional Commerce Specialist 3 from May 2021 through June 2022 to process claims, compile information, and report out data. Claims are estimated to average \$12,000 per unit, and this effort would pay approximately 600 claims through June 2022.

0.3 FTE Commerce Specialist 3 (348 hours) in FY21, May 2021 through June 2021, 1.0 FTE Commerce Specialist 3 (2,088 hours) in FY22 to pay invoices, collect and quality check data, develop outcome reports, and close out contracts. due to the higher volume of claims.

Salaries and Benefits:

FY21: \$26,153

FY22: \$104,614

Goods and Other Services:

FY21: \$1,322

FY22: \$5,285

Equipment and Capital Outlays:

FY21: \$4,000

Equipment includes one standard workstation.

Intra-agency Reimbursements:

FY21: \$8,892

FY22: \$35,569

=====
Total Costs:

FY21: \$183,483

FY22: \$1,082,290

FY23: \$649,000

Note: Standard goods and services casts include supplies and materials, employee development and training, Attorney General costs, and central services charges. Intra-agency Reimbursement-Agency administration costs (e.g., payroll HR, IT,) are funded under a federally approved cost allocation plan.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------|---------------|-------|-----------|---------|-----------|---------|---------|
| 001-1 | General Fund | State | 1,082,290 | 649,000 | 1,731,290 | 0 | 0 |
| Total \$ | | | 1,082,290 | 649,000 | 1,731,290 | 0 | 0 |

In addition to the estimates above, there are additional indeterminate costs and/or savings . Please see discussion.

III. B - Expenditures by Object Or Purpose

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|--------------------------------------|-----------|---------|-----------|---------|---------|
| FTE Staff Years | 8.0 | 4.8 | 6.4 | | |
| A-Salaries and Wages | 542,554 | 324,768 | 867,322 | | |
| B-Employee Benefits | 200,206 | 119,841 | 320,047 | | |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | 81,675 | 53,224 | 134,899 | | |
| G-Travel | | | | | |
| J-Capital Outlays | 5,316 | | 5,316 | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | 252,539 | 151,167 | 403,706 | | |
| 9- | | | | | |
| Total \$ | 1,082,290 | 649,000 | 1,731,290 | 0 | 0 |

In addition to the estimates above, there are additional indeterminate costs and/or savings . Please see discussion.

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part I and Part IIIA*

| Job Classification | Salary | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|--------|---------|---------|---------|---------|---------|
| Agency Administration - Indirect | 69,552 | 0.9 | 0.5 | 0.7 | | |
| Commerce Specialist 3 | 76,416 | 7.1 | 4.3 | 5.7 | | |
| Total FTEs | | 8.0 | 4.8 | 6.4 | | 0.0 |

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

Part V: New Rule Making Required